Amendment No. 1 to HB1893

<u>Cobb</u> Signature of Sponsor

AMEND Senate Bill No. 1643

House Bill No. 1893*

by deleting in its entirety all of the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 4-5-228, is amended by deleting the section in its entirety and by substituting instead the following:

4-5-228.

- (a) With any rule and regulation proposed to be promulgated, the proposing agency shall include the following:
 - (1) A written justification for the proposed rule or regulation to be promulgated that:
 - (A) Clearly defines the purpose for the proposed action;
 - (B) Clearly demonstrates the necessity of the proposed action;
 - (C) Clearly identifies the expected benefits and beneficiaries of the proposed action; and
 - (D) Identifies whether the proposed action is required to satisfy a federal mandate, and if so, to cite the relevant federal law, rule or regulation.
 - (2) A statement of financial impact that describes the financial impact in terms of an increase in expenditures or decrease in revenues. The statement shall include monetary estimates for the three (3) years immediately following the effective date of the rule or regulation. Any anticipated change in revenue, expenditures, or fiscal liability, regardless of amount, shall be included in the statement. If the statement indicates that the rule or regulation has a financial

impact on local governments, the general assembly may request representatives of any affected local government to testify concerning its impact; and

- (3) An impact analysis of the proposed rule or regulation which shall include:
 - (A) A comparison of the effect of action to non-action on the state agency, any affected local government and any private person or entity;
 - (B) An explanation of what alternative actions, if any, were considered and why the proposed action is preferable;
 - (C) An explanation of additional or alternative sources of funding considered, if any, and why the proposed funding source is preferable;
 - (D) An identification of the imposition of any new fee and any amendment or repeal of an existing fee and a corresponding demonstration of necessity; and
 - (E) An identification of any expenditure required of a private or governmental entity and a corresponding demonstration of necessity.
- (b) Upon filing a rule with the secretary of state the proposing agency shall submit a copy of the statement provided in subsection (a) relative to such rule.

SECTION 2. This act shall take effect on upon becoming a law, the public welfare requiring it.